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Report of the Ethics Office

Summary

This report is presented to the UNICEF Executive Board in compliance with its decision 2010/18. It covers the sixth full year of functioning of the UNICEF Ethics Office. The Ethics Panel of the United Nations reviewed the report at its 55th session.

This annual report covers each of the mandated areas of work for the Office: (a) standard setting and policy support; (b) training, education and outreach; (c) advice and guidance; (d) the Financial Disclosure Programme; (e) protection of staff against retaliation; and (f) participation in the United Nations Ethics Committee and Ethics Network for Multilateral Organizations.

During the course of 2013, the Ethics Office focused on increasing staff awareness on ethics, understanding and acting to avoid or mitigate conflicts of interest and fostering a speak up culture in UNICEF. Administering the Financial Disclosure Programme, developing training materials for use at country level, bringing an ethics lens to standard setting and policy support and sharing experience within the United Nations system have been the main means to make progress towards these goals.

* E/ICEF/2014/5.



Introduction and general information on activities of the Ethics Office

1. The present report covers the period 1 January to 31 December 2013. It has been prepared in accordance with section 5.4 of the Secretary-General's bulletin ST/SGB/2007/11, "United Nations system-wide application of ethics: separately administered organs and programmes", and is being submitted to the Executive Board at its annual session of 2014, pursuant to the Executive Board decision 2010/18.

2. The activities of the Ethics Office were undertaken in the following mandated areas of work:

(a) Provide guidance and policy support to management on ethics standard-setting by reviewing and advising on the rules, policies, procedures and practices of the organization in order to reinforce and promote the highest standards of ethics and integrity required by the Charter of the United Nations, other applicable staff rules and regulations, and the standards of conduct for the international civil service;

(b) Raise staff awareness about UNICEF values, expected standards of conduct and procedures through staff orientation programmes, training and other outreach;

(c) Provide confidential advice and guidance to staff at their request on ethics related policy and practice issues, including conflict of interest, financial disclosure, and protection against retaliation;

(d) Administer the Financial Disclosure Programme;

(e) Undertake assigned responsibilities under the policy on protection against retaliation;

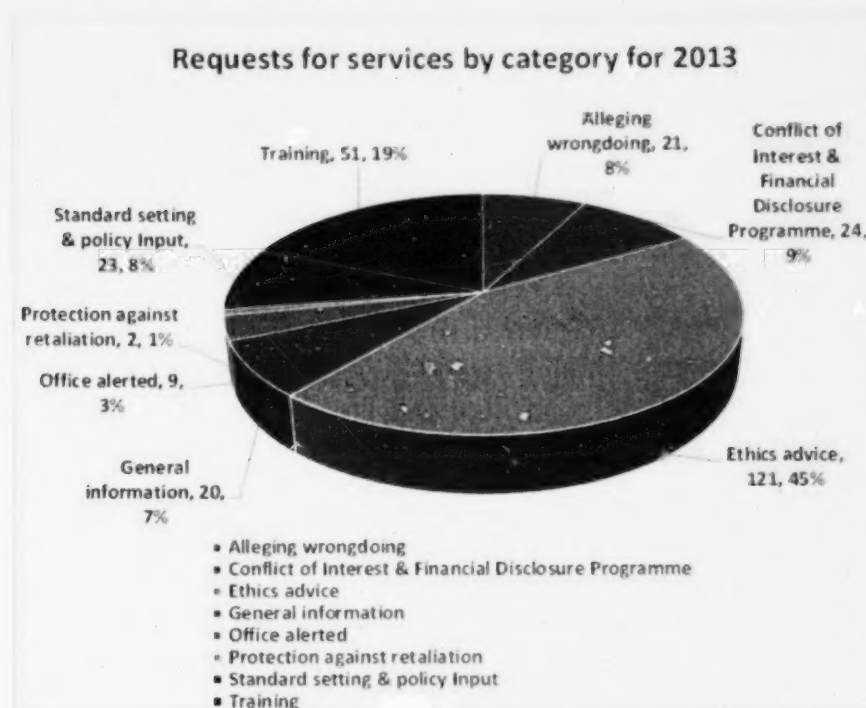
(f) Facilitate a harmonized approach to ethics issues within the United Nations System.

3. The Ethics Office received 271 requests for its services in 2013. This compares to 371 requests in 2011 and 221 in 2012. Ethics is a critical element of organizational culture and leadership as much as it is essential to individual awareness of standards of conduct, rule and regulations. Increasing awareness in the importance of ethics is resulting in diverse requests from managers on how to address ethical dilemmas at the organizational or institutional level as well as from individuals regarding their own behaviour.

4. Of the 271 requests received in 2013, most (121) related to the services provided under the advisory and guidance function of the Office. Requests related to training (51), the Financial Disclosure Programme (24), advice on alleged wrongdoing (21) and inputs to standard and policy setting (23) were also common. Figure 1 shows the percentage distribution of the different types of service requests.

5. Throughout 2013, the Ethics Office continued to work closely with offices across UNICEF. These included the Legal Adviser, Office of the Internal Audit and Investigation (OIAI), Office of the Ombudsman, Division of Human Resources (DHR), Information Technology Solutions and Services Division, Supply Division and the Global Staff Association. Close communications were kept with regional offices. The Ethics Office met regularly with the Office of the Executive Director.

Figure 1
Requests for services by category for 2013



Standard setting and policy support

6. Providing advice to management on ethics standards-setting so that the policies, rules and practices of the organization reflect and promote the values of the United Nations is a key function of the Ethics Office. This advice does not stop when the policies or guidelines are issued but extends to how they are implemented. As the organization fosters increased awareness of its expectations that staff members align their conduct with the values of the United Nations, there will also be increased expectations on procedural fairness of the system. Thus, it is increasingly important that the policies and guidelines are not only explicitly aligned with United Nations values but are also implemented with integrity.

7. The Ethics Office worked across the organization to advise on the development of a number of policies and guidelines. In providing advice, focus has been to review that the proposed policies or guidelines are addressing issues of ethics, especially conflicts of interest and impartiality. For guidelines relating to recruitment, partnership or procurement of goods or services, the Ethics Office advised on the need to assess values in addition to efficiency and competence. The Ethics Office provided consultation in connection with the Programme Division on child safeguarding policy development, Office of Research on ethics in research on and with children, Private Fundraising and Partnerships on engagement with private sector, Division of Policy and Strategy on revision of programme cooperation

agreement guidelines, Emergency Operations on accountabilities toward affected populations and Division of Communication on the use of social media by staff members.

8. The Ethics Office engaged in the process of finalizing the Strategic Plan 2014-2017, and advocated for the inclusion of a management indicator on fostering a speak up culture. This indicator was adopted, and is the one indicator measured by the Global Staff Survey.

9. Collaboration with DHR has been important in providing consistent advice to staff on the organization's policy on outside activities. The Ethics Office also had frequent consultation with OIAI to improve understanding of risks facing the organization.

Training, education and outreach

10. The Ethics Office promotes awareness of the expected behaviour of international civil service, to make tangible the values of the United Nations. The goal is to promote understanding of the cognitive biases that can make it difficult for staff to consistently adhere to these standards and policies in daily decision-making. The conversations on ethics address recognition of conflicts of interest and related dilemmas, challenges to impartiality and dangers of over-conformity.

11. In 2013, the Ethics Office received 51 requests for training support. It responded to these through three modalities: (a) face-to-face group training sessions at headquarters, regional and country offices; (b) online training; and (c) provision of material and tutoring of facilitators for local ethics dialogues organized by individual offices.

12. For face-to-face training, the Office has a package geared towards all staff. Another separate package examines creating and maintaining ethical organizational culture for regional management team and country management team members. In addition, training on ethics in fundraising and advocacy was made available to two country offices. Skype and WebEx facilities were also used to provide remote training. A total of 1,660 staff members were trained using a combination of face-to-face and web-based methods. This figure does not include shorter briefings or individual briefings on site that are listed in Table 1 below.

Table 1
Training sessions held in 2013

	On-site training			On site briefings	Issue-oriented sessions by web conferencing
	Staff and ethics	Leadership and ethics	Special topics		
Country and regional offices	Ghana Sierra Leone Vietnam China Malaysia Indonesia Uganda Nepal Pakistan Chad Mexico; Chairs of WCAR staff associations; New and Emerging Talent training participants	<i>Regional management teams:</i> CEE/CIS EAPR LACR; <i>Country Management Teams:</i> Indonesia Mexico Nepal Pakistan Sierra Leone Uganda	Malaysia Mexico	<i>United Nations country teams:</i> Pakistan Mexico	New representatives – global; New representatives – WCAR; Respectful workplace advisers – ESAR; Respect workplace advisers – India; Ethics essential facilitators – ESAR
Headquarters	Private Fundraising and Partnerships – New York; Public-Sector Alliances and Resource Mobilization Office – Tokyo; Supply Division; Programme Division; Division of Communication; Division of Policy and Strategy	Office of Emergency Programmes; Private Fundraising and Partnerships; Supply Division	DHR and regional human resource chiefs; DFAM and regional operations chiefs	Senior staff meeting; Senior Staff Review Panel; New human resource officers for Chad, Central African Republic, Sudan	Coordinator of leadership training programme

13. In February 2013, the online basic ethics awareness course, developed by the United Nations Office on Drugs and Crime, was made mandatory for all staff at level P-5 and above, as well as deputy representatives, chiefs of operation and chiefs of zone offices regardless of their level. The Ethics Office monitored compliance and corresponded with offices to improve compliance. As of mid-January 2014, 78 per cent of staff in the mandatory category have completed the course. Among other staff, 30 per cent have taken the online course, and some offices have made it mandatory to all staff. In order to have a more interactive course available for all staff, the Ethics Office is working with the United Nations Secretariat Ethics Office and UNICEF DHR to adapt the new online course they are developing for UNICEF use.

14. Eight of the training requests were for materials or advice on how to conduct local ethics dialogue sessions. The Ethics Office sent material and in some cases engaged in dialogue with the facilitators before and after the session. In order to more systematically support the implementation of shorter but more frequent ethics dialogue at the country office level, the Ethics Office worked with DHR, OIAI, Principal Legal Adviser, Division of Financial and Administrative Management, Supply Division, Office of the Ombudsman and regional offices to build four training modules to form the Ethics Essentials course. The modules cover United Nations values, conflicts of interest, fraud and misconduct, and public service and private life. Each module consists of case studies, discussion and presentation, and can be completed in one to one and a half hours. They are available in English, French and Spanish. In order to implement the dialogues, offices will need trained facilitators. The Ethics Office conducted a web-based pilot training of facilitators in December 2013; it is poised to expand the web-based training to all regions in 2014.

15. Ethics briefings have become part of the induction programme for new Human Resource officers moving to country offices. In 2013, the Ethics Office conducted three such briefings. In one case this resulted in a request later from the country office for ethics training for all staff in their office.

16. Another important collaboration of the Ethics Office is with the Supply Division. The Supply Division conducts training on managing procurement and contracts. Integrity in procurement and contracts management is part of the basic training package. In 2013, the Division trained a total of 112 staff members on integrity issues, 93 of whom are from other than Supply Division itself. The Ethics Office exchanges information and experience with the Supply Division training team. Some staff members have come to request ethics advice following attendance in the training courses on procurement or contract management.

Advice and guidance

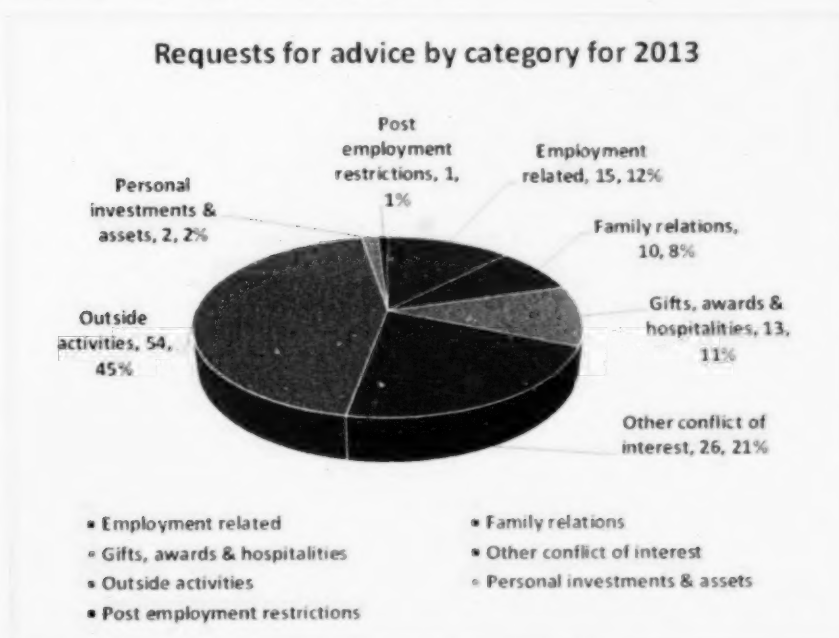
17. The Ethics Office received 121 requests for ethics advice in 2013. This compares to 170 requests in 2011 and 146 in 2012. The apparent decrease in requests, compared to 2012, is mostly due to separation of the category "allegation of wrongdoing" (21) from the ethics advice category. These allegations are mostly reported to both OIAI and the Ethics Office. In cases where they are not reported to OIAI, the Ethics Office advises reporters to contact OIAI about possible fraudulent conduct or provides advice on alternatives in cases of potential harassment. However, the Ethics Office notes that while cases of possible fraudulent conduct are

reported to OIAI, in cases of possible harassment or sexual harassment, some reporters hesitate to take their case forward.

18. For ethics advice requests, as seen in Figure 2, the majority of requests continue to relate to conflicts of interest in the broad sense — outside activities, gifts, family relations, post-employment and other conflicts of interest. While the majority of requests come from individual staff members, many are now from managers who seek advice on how to address ethical dilemmas at UNICEF vis-à-vis outside entities or as manager vis-à-vis staff requests and questions.

19. With regard to conflicts of interest, the Ethics Office maintains close collaboration with DHR in terms of advice provided. With the new policy on outside activities, which came into effect in December 2012, the majority of questions in this category come to the Ethics Office via DHR. The Office is receiving an increasing number of requests for advice on how to manage conflicts of interests of newly recruited staff members, and in some cases prior to making an offer. The requests continue to be complex, often requiring several iterations of communication with the staff members and offices. The Ethics Office has continued to develop templates for guidance and recusal that can be adapted for various situations in which conflicts of interest may occur.

Figure 2
Requests for advice by category for 2013



20. The Ethics Office does not have a mandate to engage directly in the resolution of employment-related grievances. The Office provides advice on the mechanisms available to seek redress and on entities that can support staff to address their

concerns. The Office has noted that often the staff members have not adequately documented incidents that give rise to their concerns. Thus, the training package now includes a concrete guide on how to document incidents of perceived harassment.

Financial Disclosure Programme

21. The Ethics Office continues to administer the Financial Disclosure Programme. The main objective of the programme is the management of conflicts of interest. To increase the awareness of the importance of managing conflicts of interest, the Ethics Office in internal communications with staff members refers to this programme as the Conflict of Interest and Financial Disclosure Programme. The programme has now reached its sixth year of operation and continues to foster a culture of integrity in UNICEF. As in previous years, the programme protects UNICEF against conflicts of interest and various organizational risks related to the outside activities of staff members and their financial engagements.

22. A total of 2,498 staff members were selected in 2013 to participate in the Financial Disclosure Programme, requiring them to disclose their financial situation and outside engagement for the reporting period of 1 January through 31 December 2012. Additionally, staff members at the director and representative levels who joined UNICEF after the programme was launched in March were sent a notification in September 2013 to file a disclosure for the reporting period of 2012.

23. Based on CF/EXD/2012-003, all staff members at the D-1 level and above and any staff member whose responsibilities are identified in the financial disclosure policy of UNICEF are required to file a disclosure. In addition to pre-selected staff members who are required to file due to their level or functional title, additional staff members are selected, in accordance with the policy, in collaboration with the Ethics Office and the head of each office during the registration of the programme. As such, the Ethics Office relies greatly on the individual offices as their involvement in the process of selection is crucial to identifying the appropriate staff members who should participate in the programme as determined by level, function and apparent risk. The number of staff members participating in the programme decreased from 2,694 in 2012 to 2,498 in 2013. The decrease in numbers is a result of a more stringent scrutiny on the type of staff selected to participate in the Financial Disclosure Programme. In 2013, there was a decrease in the number of G-5 and G-4 staff members who were required to file as compared to 2012.

24. By August 2013, the Ethics Office reached 100 per cent compliance by staff members identified in March. Exception had been granted to 50 staff members. Out of this number, 44 had either retired or separated from UNICEF and the remainder, 6 staff members, were asked to be removed from the programme by the focal point for the Financial Disclosure Programme as their professional responsibilities did not require them to file a disclosure. By end of year, there was also a 100 per cent compliance rate for staff members who were selected to file disclosures in September. The September filers consist of senior managers who joined UNICEF after the launch of the programme and other staff whose new professional responsibilities required that they file a disclosure. As in previous years, the Ethics Office continues to collaborate with DHR in a system that requires senior managers to comply with the programme before the extension of their contracts.

Table 2
Compliance with the Financial Disclosure Programme, 2007-2013

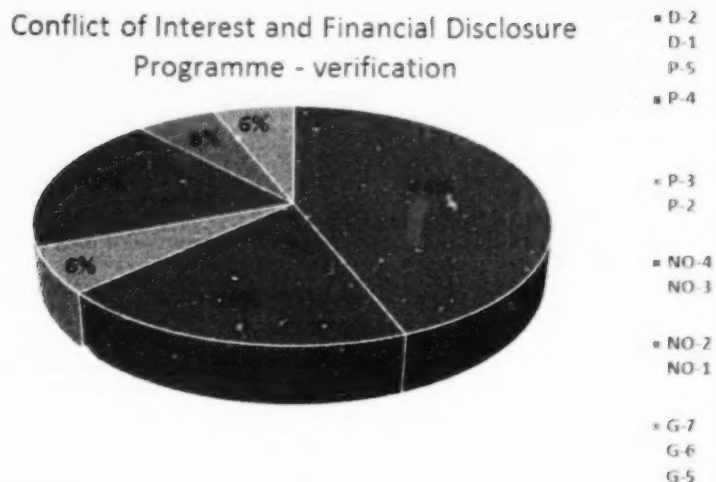
<i>Year</i>	<i>Staff required to file</i>	<i>Compliance (%)</i>
2007	2 545	82.8
2008	2 556	83.8
2009	2 536	100
2010	2 365	99.6
2011	2 592	99.7
2012	2 694	99.9
2013	2 498	100

25. The review of the disclosures is a crucial step in ensuring that conflict of interest risks are mitigated and that staff members are provided with guidance on how to prevent conflicts that are incompatible with their professional obligations. The conflicts identified mainly relate to the outside activities of staff members. Another category of conflicts relate to staff with family members who work in the United Nations system. A small percentage of staff members have tenants who work in the United Nations system. Overall, out of the 2,498 staff who filed a disclosure, 12 per cent received guidance letters. This represents a total of 293 guidance letters, with 178 internationally recruited staff members and 115 nationally recruited staff members receiving guidance letters.

26. It is worth noting that there was a vast improvement in the quality of information submitted by staff. In previous years, the bulk of work of the review consisted of sending requests for additional information as the disclosures lacked complete information. This year, the Ethics Office noted that many staff members filed complete information and that allowed the reviewers to focus on the substantial aspect of the programme: to identify conflict of interest risks and provide guidance to staff members, as well as managers, on how to prevent these risks from affecting the operation of UNICEF.

27. The verification process is an integral part of the Financial Disclosure Programme and serves to improve the accuracy of the information disclosed by staff members. This year, the Ethics Office conducted its first verification of the disclosures. Of the filing population, slightly over 3 per cent (80 statements), diversified by location and grade, were randomly selected for verification. Figure 3 below shows that 44 per cent of staff members were selected at the director and P-5 levels.

Figure 3
Distribution of verified staff by level



28. The staff members selected for verification were required to provide supporting documentation, including third-party documents, to validate the information they disclosed in their statements. By 30 December 2013, the office completed the verification of 85 per cent of the selected disclosures. Three staff members have asked for more time to submit the documents, five have not yet complied and four separated before the conclusion of the exercise. During the verification process, the office corresponded with 25 participants in the process to request for further information. It is clear that the verification process is an important element to increase the accuracy and completeness of the disclosures. Thus, it will become an integral part of the review process. All staff members selected for filing will be informed at the launch of the disclosure process about the possibility of being selected for verification in order to enable them to prepare for access to necessary documentation.

Protection of staff against retaliation

29. The policy on protection against retaliation is intended to safeguard those who report misconduct from actual or threatened detrimental action that they could face as a consequence of having engaged in a protected activity: reporting misconduct in good faith or participating in duly authorized audits or investigations. A properly functioning policy on protection against retaliation is important for promoting accountability and transparency in UNICEF operational activities as well as in its financial and human resource management.

30. Serving as the focal point for the policy on protection against retaliation is a key part of the work of the Ethics Office. In 2013, there were two requests for protection against retaliation: one from field and one from headquarters. For both matters, the Ethics Office determined that a prima facie case was not presented.

31. During dialogue with staff following in-person training sessions or in ethics consultations, staff members raise their fear or frustration of speaking up. Often, speaking up entails concerns or different opinions regarding the procedures or strategies taken by managers; thus, in most of the cases this would not amount to a "protected" activity and as a consequence is not covered by the policy on protection against retaliation. A speak up culture is important for an organization to foster alignment of staff conduct to expected standards and to embrace evaluation, to listen to different views and inputs before critical strategic decisions are made. Yet it remains difficult for staff, in spite of the various mechanisms of formal and informal reporting instituted by the organization. The current efforts in leadership development as well as improvement in managerial capacity in performance management are critical means to further improve accountability, transparency and effectiveness in the organization, especially if explicit in building leadership capacity that fosters a speak up culture.

Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations

32. In 2013, UNICEF participated in eight of the nine meetings of the Ethics Panel of the United Nations (EPUN). In addition to these meetings, the members of the panel frequently consulted each other to harmonize advice and practices. This has been extremely useful in improving the quality of advice as well as to contributing to greater harmonization of both policies and practices among the participating funds and programmes. Further information on the work of EPUN is available in the Report of the Secretary-General on the activities of the Ethics Office (A/68/348) presented at the 68th session of the General Assembly.

33. UNICEF also participates in the meeting of the Ethics Network of Multilateral Organizations. The meeting is an excellent forum to exchange materials and to learn and develop best practices. In 2013, the meeting focused on issues of conflicts of interest, ethical risk assessment and ethics of performance management as well as protection against retaliation. The Principal Advisor on Ethics participated as a panel member in the session on ethics of performance management.

Conclusion

34. The first paragraph of the Strategic Plan 2014-2017 states that the fundamental mission of UNICEF is to promote the rights of every child, everywhere, in everything the organization does — in programmes, in advocacy and in operations. The equity strategy, emphasizing the most disadvantaged and excluded children and families, translates this commitment to children's rights into action. For UNICEF, equity means that all children have an opportunity to survive, develop and reach their full potential, without discrimination, bias or favouritism.

35. Ethical behaviour and decision-making based on ethics is critical for UNICEF in fulfilling this mission. The Ethics Office is committed to cultivating and nurturing a culture of ethics, integrity and accountability in UNICEF. Towards this end, it will continue to collaborate with all offices and division, the staff association and other stakeholders to foster ethical organizational culture.